LEGAL NOTICE

STATE OF LOUISIANA, OFFICE OF CONSERVATION, BATON ROUGE, LOUISIANA.

In accordance with the laws of the State of Louisiana, and with particular reference to the provisions of Title 30 of Louisiana Revised Statutes of 1950, a public hearing will be held in the Hearing Room, 1st Floor, LaSalle Building, 617 North 3rd Street, Baton Rouge, Louisiana, at 9:00 a.m. on **TUESDAY**, **AUGUST 2, 2005**, upon the application of **J-W OPERATING COMPANY**.

At such hearing the Commissioner of Conservation will consider evidence relative to the issuance of Orders pertaining to the following matters relating to the **Hosston Zone**, **Reservoir A**; **the Cotton Valley Formation**, **Reservoir A**; **and the Lower Cotton Valley Zone**, **Reservoir A**, in the Elm Grove Field, Bossier Parish, Louisiana.

- 1. To create two (2) additional drilling and production units for the exploration for and production of gas and condensate from the Hosston Zone, Reservoir A, such units being designated HOSS RA SU134 and HOSS RA SU135.
- 2. To create two (2) additional drilling and production units for the exploration for and production of gas and condensate from the Cotton Valley Formation, Reservoir A, such units being designated CV RA SU144 and CV RA SU145.
- 3. To create two (2) additional drilling and production units for the exploration for and production of gas and condensate from the Lower Cotton Valley Zone, Reservoir A, such units being designated LCV RA SU101 and LCV RA SU102.
- 4. To force pool and integrate all separately owned tracts, mineral leases and other property interests within each of the proposed additional units in accordance with Section 10, Title 30, of the Louisiana Revised Statutes of 1950, with each tract sharing in unit production on a surface acreage basis of participation.
- 5. To designate a unit operator of, and unit wells for, the proposed additional units as may be appropriate.
 - 6. To authorize Applicant to drill, designate and utilize two (2) alternate unit wells for each of the proposed additional units and to find that each of these proposed alternate unit wells is necessary to efficiently and economically drain a portion of the unit on which it is proposed to be drilled which cannot be efficiently and economically drained by any existing well within such unit.
 - 7. To approve exceptions to the well spacing provisions of Office of Conservation Order No. 361-A-1, effective October 1, 1972; Office of Conservation Order No. 361-B, effective October 1, 1973; and Office of Conservation Order No. 361-E, effective July 16, 1996, for any of the proposed alternate unit wells, the location of which does not comply with the spacing provisions in said Orders.
 - 8. To authorize the downhole combination of production form the Lower Cotton Valley Zone, Reservoir A; the Cotton Valley Formation, Reservoir A; and the Hosston Zone, Reservoir A; or any combination thereof, in the wellbore of any well drilled on the additional units proposed herein.
 - 9. To extend, except as in conflict herewith, the provisions of Office of Conservation Order No. 361-A-1, effective October 1, 1972, as amended and supplemented by the Order No. 361-A Series of Office of Conservation Orders, to the proposed additional units for the Hosston Zone, Reservoir A.

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10. To extend, except as in conflict herewith, the provisions of Office of Conservation Order No. 361-B, effective October 1, 1973, as amended and supplemented by the Order No. 361-B Series of Office of Conservation Orders, to the proposed additional units for the Cotton Valley Formation, Reservoir A.

- 11. To extend, except as in conflict herewith, the provisions of Office of Conservation Order No. 361-E, effective July 16, 1996, as amended and supplemented by the Order No. 361-E Series of Office of Conservation Orders, to the proposed additional units for the Lower Cotton Valley Zone, Reservoir A.
- 12. To consider such other matters as may be pertinent.

The Hosston Zone, Reservoir A, in the Elm Grove Field, Bossier, Caddo, Webster and Bienville Parishes, Louisiana, was defined in Office of Conservation Order No. 361-A-1, effective October 1, 1972, and was further defined in subsequent Orders of the 361-A Series of Office of Conservation Orders.

The Cotton Valley Formation, Reservoir A, in the Elm Grove Field, Bossier, Caddo, Webster and Bienville Parishes, Louisiana, was defined in Office of Conservation Order No. 361-B, effective October 1, 1973, and was further defined in subsequent Orders of the 361-B Series of Office of Conservation Orders.

The Lower Cotton Valley Zone, Reservoir A, in the Elm Grove Field, Bossier, Caddo, Webster and Bienville Parishes, Louisiana, was defined in Office of Conservation Order No. 361-E, effective July 16, 1996

Plats are available for inspection in the Office of Conservation in **Baton Rouge** and **Shreveport**, Louisiana.

www.dnr.state.la.us/CONS/CONSEREN/hearings/pubhearings.htm.

All parties having interest therein shall take notice thereof.

BY ORDER OF:

JAMES H. WELSH COMMISSIONER OF CONSERVATION

Baton Rouge, La 6/16/05;6/21/05 S dnp

IF ACCOMMODATIONS ARE REQUIRED UNDER AMERICANS WITH DISABILITIES ACT, PLEASE ADVISE THE OFFICE OF CONSERVATION-ENGINEERING DIVISION AT P.O. BOX 94275, BATON ROUGE, LA 70804-9275 IN WRITING WITHIN TEN (10) WORKING DAYS OF THE HEARING DATE.